

Analysis of FY 04-05 Budget  
On DNR's Remediation and Redevelopment Program

Budget Item	Governor's Proposal	JFC Proposal	Implications
<p><b>Reductions in Staff for the Remediation and Redevelopment Program</b></p>	<p>7 FTE cut</p>	<p>Adds an additional 9.41 FTE to governor's proposed cut, for a total reduction of 16.41 FTE.</p> <p>Or</p> <p>If DNR elects to maintain funds to deal with priority environmental projects (see analysis below regarding \$1.3 M cut in funds), additional staff cuts would total up to 31 FTE staff</p>	<ul style="list-style-type: none"> <li>• Presently, 110 staff in RR program statewide, with 74.5 funded through state revenues.</li> <li>• JFC's proposal represents a <b>22% to 43% cut in state-funded staff</b> doing brownfields redevelopment work &amp; technical support to high priority clean ups.</li> <li>• Deep cuts will likely impact least senior staff in RR, many of which are dedicated to brownfields site assistance, grant administration and policy work.</li> </ul> <p><b>In response, the following critical functions may be reduced, delayed, or eliminated:</b></p> <ul style="list-style-type: none"> <li>• <b>Review of site closures, redevelopment approvals, liability letters &amp; exemptions</b> likely to be delayed. Would add an estimated 30 to 60 days to review time, increasing the time delay from 60 days on average, to 90 to 120 days.</li> <li>• <b>DNR support to Brownfields Study Group</b> significantly reduced or eliminated.</li> <li>• <b>New brownfields initiatives</b>, such as <b>new insurance program</b>, urban water initiative, <b>new cleanup MOA</b> with EPA, and other innovative efforts delayed or eliminated.</li> <li>• <b>Update and maintenance of</b> nationally recognized web site and web property database (<b>BRRTs</b>) significantly delayed or eliminated.</li> <li>• Development of <b>brownfields publications</b> to streamline clean ups, delayed or put on hold.</li> <li>• <b>Assistance with obtaining federal and state brownfields grants and loans</b>, including redevelopment meetings, significantly reduced or eliminated.</li> <li>• <b>Delays in processing brownfields grants</b></li> <li>• <b>Workshops and speaking engagements</b> reduced or eliminated.</li> </ul>

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<b>Funds for emergency and longer-term environmental projects</b>	<p>Reduce operations budget \$460,800 - 7.0 FTE cut</p> <p>Increase Vehicle Impact Fee from \$9 to \$10.50</p> <p>Eliminate sunset on Vehicle Impact Fee</p> <p>Increase Bonding Authority \$6 million</p>	<p>Reduce operations budget \$725,300 - 9.41 FTE cut</p> <p>Maintain \$9 Vehicle Impact Fee</p> <p>Extends Sunset</p> <p>No Increase in Bonding Authority</p> <p>Reduce cleanup appropriation \$880,500</p> <p>Reduce cleanup appropriation by \$1,120,000 – or another option is to restore funds for clean ups, but take cuts through reducing an additional 14.5 FTE</p>	<ul style="list-style-type: none"> <li>Prior to the JFC proposal, the DNR had \$3.3 M in funds to spend on emergency and long-term environmental response actions, and \$6 M in bonding authority.</li> <li>As a result of JFC's proposal, the DNR will have: <ul style="list-style-type: none"> <li>\$2.4 M in FY 04 (28% decrease)</li> <li>\$1.3 M in FY 05 (60% decrease)</li> <li>No new bonding; existing bonding is obligated</li> </ul> </li> </ul> <p><b>Implications over the biennium:</b></p> <ul style="list-style-type: none"> <li><b>DNR no longer has funds to start or complete investigations or cleanups at high priority contamination sites, such as those causing contaminated public or private water supplies.</b></li> <li>Sites would either be placed on hold, or turned over to the USEPA or local governments.</li> <li>Unintended consequence of EPA Superfund and Hazardous Waste programs dealing with Wisconsin businesses.</li> <li>Postpone or cancel partnerships with local governments at high priority properties.</li> </ul> <p><b>In FY 04, DNR may be able to fund all or a portion of the following:</b></p> <ul style="list-style-type: none"> <li><b>Emergency Response</b> to spills.</li> <li>Legal obligations, such as municipal monitoring reimbursement.</li> <li>Well Compensation Hardship Payments.</li> <li>Limited Priority Sample Analyses.</li> <li>Department of Justice Attorney Assistance</li> <li>Operations &amp; maintenance (leachate collection and methane venting) for 18 Superfund &amp; State-Lead Sites</li> </ul> <p>In FY 05, DNR would need to reduce all or a portion of the aforementioned "base" expenditures by \$600,000.</p>

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<b>Brownfield Grants</b>	<p>\$9.2 Million per year</p> <p>Repeal 4 existing brownfield grant programs</p> <p>Create a comprehensive grant at DNR.</p> <p>Eliminate 2.5 FTE at Commerce</p>	<p>\$9.2 Million per year</p> <p>Maintain SAG (\$3.4M) &amp; Greenspace (\$1M) at DNR</p> <p>Maintain Brownfield Grants at Commerce (\$14M)</p> <p>Restores 2.5 FTE At Commerce</p>	<ul style="list-style-type: none"> <li>• Maintains status quo</li> <li>• Eliminates the SUDZ program</li> <li>• Restores 2.5 FTE to Commerce</li> <li>• Allows Commerce and DNR to maintain current rate of grant support to local governments and private sector</li> </ul>